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"THE INCREDIBLE SHRINKING SURPLUS"

By Congressman Allen Boyd

Yesterday, the non-partisan Congressional Budget Office released its budget estimate for 2001 which shows that the \$114 billion non-Social Security and Medicare Trust Fund budget surplus has vanished. In fact, we will have to use the entire Medicare Trust Fund surplus and \$9 billion of the \$158 billion Social Security surplus just to cover the general operating expenses of the federal government. The question on everyone's mind: Where did this \$122 billion surplus go? According to the CBO, two-thirds of the surplus, or about \$80.5 billion, was used to cover the cost of the President's tax cut package this year. The rest of the reduction was a result of slower than expected economic growth.

Earlier this year, while the debate over the President's budget priorities was still going on, I joined my colleagues in the Blue Dog Coalition to warn that we should not commit so much of the surplus to new spending programs or tax cuts. Unfortunately, that recommendation fell on deaf ears. While the surplus has evaporated, President Bush still has \$18.3 billion in additional defense spending proposals, \$23 billion in new education spending proposals, \$33 billion in energy tax credit legislation, and \$13.3 billion in tax credits for charitable choice pending before Congress with no resources outside of the Social Security Trust Fund to pay for his new spending requests.

When you first sent me to Congress to serve as your representative I told you that working to protect the Social Security and Medicare Trust Funds would be one of my top priorities. This meant that there were times that I did not support popular spending programs or tax cuts because I did not believe they were responsible in light of our \$5.6 trillion national debt and our long term commitment to Social Security and Medicare. Because of this, I have always supported the Blue Dog budget which devoted at least 50% of the non-Social Security and Medicare Trust Fund surpluses to paying down the debt, with 25% going to tax cuts and 25% going to priority programs like education, defense, veterans' health care, and agriculture.

In 1934, our nation made a commitment to America's senior citizens that Social Security would be there for them when they retired. You can be assured that as Congress continues their work on the President's additional tax cut and spending proposals that I will carefully weigh their impact on Social Security before I support any of them.

